



Billing Code: 4310-MR

## **DEPARTMENT OF THE INTERIOR**

### **Bureau of Ocean Energy Management**

**[Docket No. BOEM-2014-0001; MMAA104000]**

#### **Alaska Outer Continental Shelf, Cook Inlet Planning Area, Oil and Gas Lease Sale 244**

**AGENCY:** Bureau of Ocean Energy Management (BOEM), Interior.

**ACTION:** Notice of Availability of a Record of Decision.

**SUMMARY:** The Bureau of Ocean Energy Management is announcing the availability of the Record of Decision for the Cook Inlet Planning Area, Outer Continental Shelf (OCS) Oil and Gas Lease Sale 244 (Lease Sale 244). This Record of Decision identifies the Bureau's selected alternative for holding Lease Sale 244, which is analyzed in the *Alaska OCS: Cook Inlet Planning Area Oil and Gas Lease Sale 244 in the Cook Inlet, Alaska; Final Environmental Impact Statement* (FEIS) (OCS/EIS EA BOEM 2016-069). The Record of Decision and associated information are available on BOEM's website at <https://www.boem.gov/Sale-244/>.

**FOR FURTHER INFORMATION CONTACT:** For more information on the Record of Decision, you may contact Sharon Randall, Chief, Environmental Analysis Section, Bureau of Ocean Energy Management, Alaska OCS Region, 3801 Centerpoint Drive, Suite 500, Anchorage, Alaska 99503, 907-334-5235.

**SUPPLEMENTARY INFORMATION:** The Cook Inlet Lease Sale Area is located offshore of the State of Alaska in the northern portion of the Federal waters of Cook Inlet and is comprised of 224 OCS blocks, which encompass an area of approximately 442,500 hectares or 1.09 million acres. There are currently no active OCS oil and gas leases in the Cook Inlet Planning Area. The unleased OCS blocks within Cook Inlet that BOEM will offer for lease are listed in the document entitled, "List of Blocks Available for Leasing," which is included in the

Final Notice of Sale for Cook Inlet Lease Sale 244. The estimated resource potential of the Lease Sale is 215 million barrels of oil and 571 billion cubic feet of natural gas.

### *Decision*

After careful consideration, the Department of the Interior (DOI) has selected the Preferred Alternative identified and analyzed in the Lease Sale 244 FEIS. In selecting the Preferred Alternative for Lease Sale 244, BOEM will offer for lease 224 unleased OCS blocks subject to mitigation measures adopted to reduce potential impacts to sensitive biological resources and other uses of the OCS, including, but not limited to, the beluga whales and their critical habitat and feeding areas, sea otters and their critical habitat, and the gillnet fishery. The Preferred Alternative combines the Proposed Action (Alternative 1) with several mitigations analyzed as alternatives in the Lease Sale 244 FEIS. In holding Lease Sale 244, DOI is implementing Alternative 3B (Beluga Whale Critical Habitat Mitigation), Alternative 3C (Beluga Whale Nearshore Feeding Areas Mitigation), Alternative 4B (Northern Sea Otter Critical Habitat Mitigation) and Alternative 5 (Gillnet Fishery Mitigation), as described in the FEIS.

### *Lease Stipulations*

The following mitigation measures will be applied to Lease Sale 244 as lease stipulations. The full text of the lease stipulations that will be included in leases issued as a result of the sale and the list of blocks to which they apply are available in the Final Notice of Sale Package for Lease Sale 244. The Final Notice of Sale Package is available on BOEM's website at: <https://www.boem.gov/Sale-244/>.

*Beluga Whale Critical Habitat Mitigation:* This mitigation measure applies to 10 OCS blocks that overlap with the "Area 2" beluga whale critical habitat at the northern tip of the

Lease Sale Area. Lessees will be prohibited from conducting on-lease seismic surveys or exploration drilling from November 1 through April 1 in the affected blocks. The Protection of Beluga Whale Critical Habitat Stipulation will be included in any leases issued for those blocks.

*Beluga Whale Nearshore Feeding Areas Mitigation:* This mitigation measure creates temporal restrictions for on-lease seismic survey activities within the Lease Sale Area. On all 224 OCS blocks, no on-lease marine seismic surveys will be conducted between November 1 and April 1, when beluga whales are most likely to be present and distributed across the Lease Sale Area. The Protection of Beluga Whales Stipulation will be included in any leases issued pursuant to Lease Sale 244.

Additionally, for blocks within 10 miles of major anadromous streams, lessees are prohibited from conducting on-lease marine seismic surveys between July 1 and September 30, when beluga whales are migrating to and from their summer feeding areas. The Protection of Beluga Whale Nearshore Feeding Areas Stipulation will be included in any leases issued for these blocks.

*Northern Sea Otter Critical Habitat Mitigation:* This mitigation measure prohibits lessees from discharging drilling fluids and cuttings and conducting seafloor disturbing activities (including anchoring and placement of bottom-founded structures) within 1,000 m of areas designated as northern sea otter critical habitat. The Protection of Northern Sea Otter Critical Habitat Stipulation will be included in any leases issued on the 14 OCS blocks within 1,000 m of areas designated as northern sea otter critical habitat.

*Gillnet Fishery Mitigation:* This mitigation measure applies to the 117 whole or partial OCS blocks located north of Anchor Point within the Lease Sale Area to reduce the potential for conflicts with the drift gillnet fishery. Lessees are prohibited from conducting on-lease seismic

surveys during the drift gillnetting season as designated by the State of Alaska Department of Fish and Game (ADF&G) (approximately mid-June to mid-August). Lessees are required to notify the United Cook Inlet Drift Association (UCIDA) of any temporary or permanent structures planned during the drift gillnetting season. Lessees are required to coordinate with the UCIDA to avoid conflicts. The Protection of Gillnet Fishery Stipulation will be included in any leases issued for these blocks.

The above measures would be implemented through lease stipulations, which would apply to some or all of the OCS blocks offered for lease. For each of the mitigation measures described above, lessees may request a waiver or variance to these lease stipulations at the time of filing an ancillary activities notice, an exploration plan, or a development and production plan with BOEM's Alaska Regional Supervisor, Leasing and Plans. Such requests must identify alternative methods for providing commensurate protection and analyze the effectiveness of those methods.

While not analyzed as specific alternatives in the FEIS, DOI is implementing four additional lease stipulations in the Cook Inlet Lease Sale 244. These stipulations will be added as lease terms as applicable to all or a subset of the OCS blocks being offered for lease, and will therefore be enforceable as part of the lease.

*Protection of Fisheries Stipulation:* Exploration, development, and production operations must be conducted in a manner that minimizes or prevents conflicts with fishing communities and gear (including, but not limited to subsistence, sport, and commercial fishing). The lessee's Exploration Plan (EP) and Development and Production Plan (DPP) must include a summary of fishing activities in the area of proposed operations, an assessment of effects on fishing from the proposed activity, and measures to be taken by the lessee/operator to minimize

or prevent conflicts. The assessment of effects and measures to minimize or prevent conflicts must be described under the environmental impact analysis, as required by 30 CFR 550.227 for EPs and 30 CFR 550.261 for DPPs. BOEM may restrict lease-related activities if the Regional Supervisor, Leasing and Plans (RSLP) determines that the lessee's/operator's proposed measures will not minimize or prevent conflicts. The RSLP will work with directly affected parties, if necessary, to ensure that potential conflicts are identified and efforts are taken to minimize or prevent these conflicts.

*Protection of Biological Resources Stipulation:* If biological populations or habitats that may require additional protection are identified by BOEM in the leased area, the RSLP may require the lessee/operator to conduct biological surveys to determine the extent and composition of such biological populations or habitats. Based on any surveys that the RSLP required of the lessee/operator, or based on other information available to the RSLP regarding special biological resources, the RSLP may require the lessee/operator to: relocate the site of operations; establish to the satisfaction of the RSLP, on the basis of a site-specific survey, either that such operations will not have a significant adverse effect upon the resource identified or that a special biological resource does not exist; operate only during those periods of time, as established by the RSLP, that do not adversely affect the biological resources; and/or modify operations to ensure that significant biological populations or habitats deserving protection are not adversely affected.

If populations or habitats of biological significance are discovered during the conduct of any operations on the lease, the lessee/operator must immediately report such findings to the RSLP and make every reasonable effort to preserve the biological resource and protect it from damage. The lessee/operator may take no action that might affect the biological populations or habitats surveyed until the RSLP provides written directions to the lessee/operator with regard to

permissible actions. The RSLP will provide a written response outlining permissible actions within 30 days.

*Orientation Program Stipulation:* An EP or DPP submitted under 30 CFR 550.211 or 30 CFR 550.241, respectively, must include a proposed orientation program for all personnel involved in the Proposed Action (including personnel of the lessee's/operator's agents, contractors, and subcontractors). The program must be designed in sufficient detail to inform individuals working on the project of specific types of environmental, safety, social, and cultural concerns that relate to the area that could be affected by the operation or its personnel. The program must address the importance of not disturbing archaeological and biological resources and habitats, including endangered species, fisheries, bird colonies, and marine mammals, and provide guidance on how to avoid or minimize disturbance. The program must address Safety and Environmental Management System elements including, but not limited to: Stop Work Authority; Ultimate Work Authority; Employee Participation Program (Safety); and Reporting Unsafe Working Conditions. The program must be designed to increase the sensitivity and understanding of personnel to community values, customs, and way-of-life in areas where such personnel will be operating. The orientation program also must include information concerning avoidance of conflicts with subsistence, sport, and commercial fishing activities.

*Transportation of Hydrocarbons Stipulation:* Pipelines may be required for transporting produced hydrocarbons to shore if BOEM determines that: (a) pipeline rights-of-way can be determined and obtained; (b) laying such pipelines is technologically feasible and environmentally preferable; and (c) pipelines can be laid without net social loss, taking into account any incremental costs of pipelines over alternative methods of transportation and any

incremental benefits in the form of increased environmental protection or reduced multiple-use conflicts.

After careful consideration, DOI has selected the Preferred Alternative in the FEIS to hold Lease Sale 244, including the mitigations described above. DOI's selection of the preferred alternative meets the purpose and need for the Proposed Action, as identified in the Cook Inlet Lease Sale 244 FEIS, and reflects an informed decision balancing orderly resource development with protection of the human, marine, and coastal environments while also ensuring that the public receives fair market value for these resources and that free-market competition is maintained.

**AUTHORITY:** This Notice of Availability is published pursuant to regulations (40 CFR part 1506) implementing the provisions of the National Environmental Policy Act (NEPA) of 1969, as amended (42 U.S.C. 4321 *et seq.*).

Dated: May 18, 2017.

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Walter D. Cruickshank  
Acting Director, Bureau of Ocean Energy Management  
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